

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of State Parks
Honolulu, Hawaii 96813

March 27, 2009

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

(Kauai)

Consent to Assign General Lease No. SP-150, John Tenuto
and Gayla C. McCarthy, Assignor, to Brent Olsen and
Karen Olsen, Assignee

APPLICANT:

John Tenuto and Gayla C. McCarthy, Assignor, to Brent
Olsen and Karen Olsen, Assignee.

LEGAL REFERENCE:

Section 171-36(a)(5), Hawaii Revised Statutes, as amended.

LOCATION:

Lot 20, Kokee Camp Site Lots, Waimea (Kona), Kauai, Tax Map
Key: 1-4-002:027, as shown on the attached map labeled
Exhibit A.

AREA:

.82 acres, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State
Constitution: YES _____ NO x

CHARACTER OF USE:

Recreation - residence.

ITEM E-4

TERM OF LEASE:

20 years, commencing January 1, 2009, and expiring on December 31, 2029. There is one rental reopening scheduled after ten years.

ANNUAL RENTAL:

\$4,000.00.

CONSIDERATION:

\$28,000, paid in 2001.

RECOMMENDED PREMIUM:

None.

DCCA VERIFICATION:

N/a because all persons involved are individuals and not required to register with DCCA.

APPLICANT REQUIREMENTS:

Applicant/assignee shall prepare and submit fully executed assignment of lease.

REMARKS:

Mr. Tenuto and Ms. McCarthy held the previous lease covering the property. Attempts were made starting in 2001 to obtain the Board's consent to assignment of that lease. For reasons that are not clear, Land Division did not obtain the Board's consent prior to the end of the lease and holdover. A revocable permit was therefore issued to Tenuto and McCarthy and subsequently renewed.

Act 223 (2008) and board action directed staff to negotiate new leases with existing permit holders so the new lease was issued to Tenuto and McCarthy who now wish to assign as previously agreed.

Staff recommends that no premium be charged for the assignment because the consideration was actually paid for assignment of the previous lease before the present lease started.

Lessee is in compliance with all lease terms and conditions. There have been no prior defaults.

Assignees have not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Rent re- opening is not scheduled until after the first ten years of the lease. There are no outstanding rental reopening issues.

No comments have been received from any agency or the community.

RECOMMENDATION:

That the Board consent to the assignment of General Lease No. SP-150 from John Tenuto and Gayla C. McCarthy, Assignor, to Brent Olsen and Karen Olsen, Assignee, subject to the following:

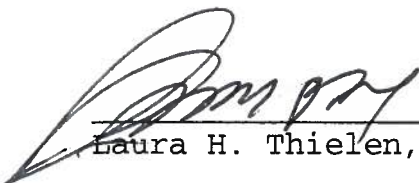
1. No premium to be charged;
2. The standard terms and conditions of the most current consent to assignment form, as may be amended from time to time;
3. Review and approval by the Department of the Attorney General; and
4. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

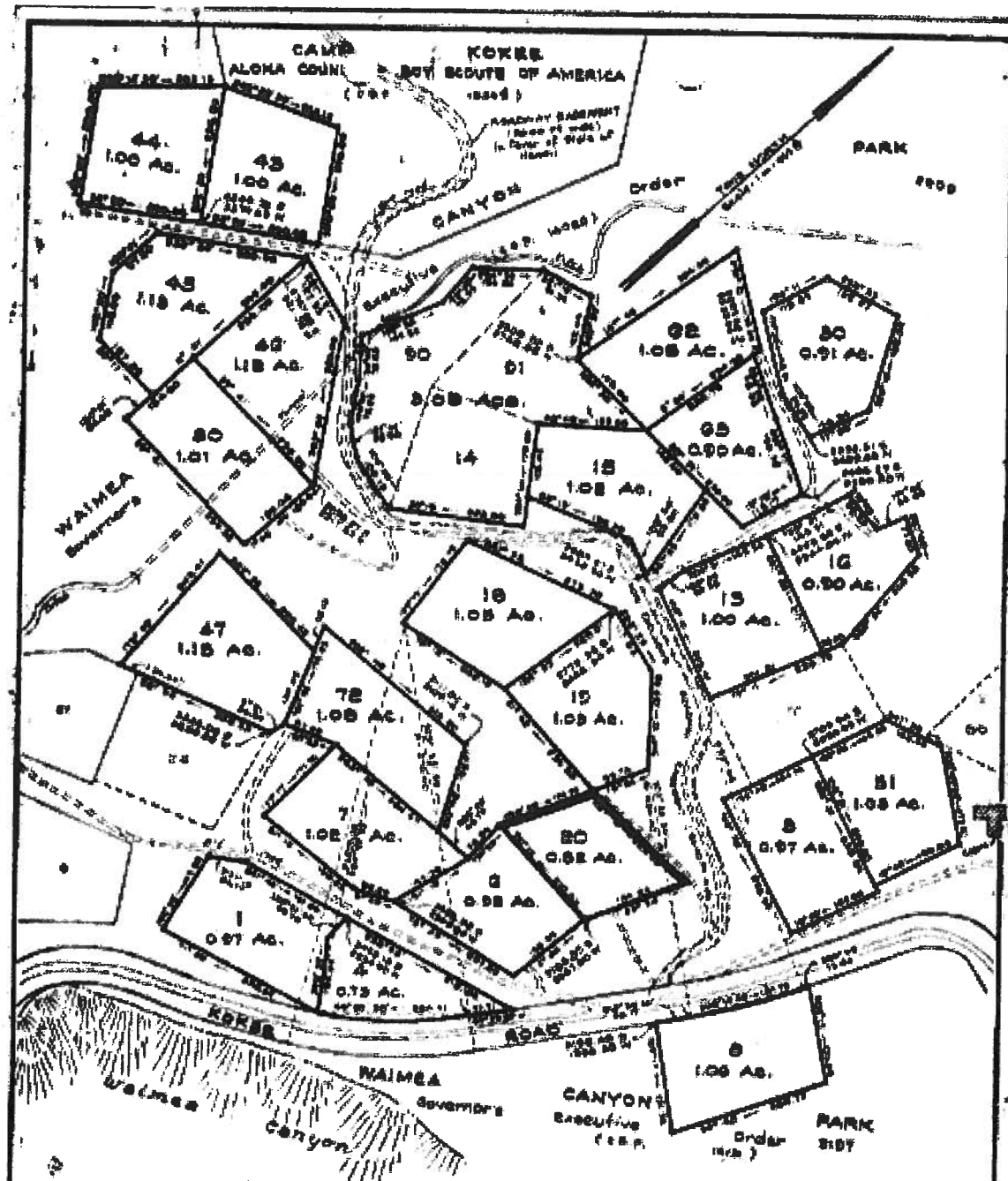


Daniel S. Quinn
State Parks Administrator

APPROVED FOR SUBMITTAL:



Laura H. Thielen, Chairperson



(Revised November 1967)

PUHA KA PELE PARK LOTS

LOTS 1, 3, 4, 6, 7, 8, 13, 14, 18, 19, 20, 23, 43, 44, 45, 46, 47, 50, 51, 52, 53, 78, 90 AND 91

Waimea (Kona), Kona, Hawaii
Scale: 1 inch = 500 feet

EXHIBIT A

JOB No. H-2711
S. M. 10/24/67 (Final)

All lot corners marked with cross
October 1967, at 11:00 A.M.
Coordinates referred to T.M. 1943

THIS MAP 1-6-68
Sheet 1 of 2 Sheets
By P.H. FOLDER B

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

CSO Nov. 22, 1967

STEVEN R. LEE
ATTORNEY AT LAW

Practice limited to Real Estate Matters

Watumull Plaza
4334 Rice Street, Suite 204C
Lihue, Kauai, Hawaii 96766
Telephone: (808) 246-1101
Facsimile: (808) 246-9481
Email: steve@homesharehawaii.com

March 18, 2009

William J. Wynhoff, Esq.
Department of the Attorney General
465 S. King Street, Room 300
Honolulu HI 96813

Via email only Bill.J.Wynhoff@hawaii.gov

RE: Kokee Lease for Tenuto
Your Ref. No. 030KD-361(GL 5064)
Request for Consent to Assignment
State General Lease No. S-5064

Dear Mr. Wynhoff:

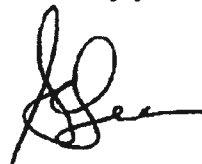
Thank you for taking the time to speak with me about the referenced lease. If you have the file for the referenced lease you will recognize Mr. and Mrs. Brent Olson, who applied for a transfer of this lease in 2001. After fulfilling all the information requests in full, including supplementing the information twice, the application was "lost" despite periodic requests to determine the status. Near the end of last year you had a conversation with Mr. Olson in which you assured him that the application would receive review shortly after the new year. We are still "shortly after the new year." And I wish to provide the information now apparently required. I would appreciate it sincerely if you would review the file for the referenced lease and confirm what more we need to do to insure that the request it is being, has been or will be reviewed and processed.

I am also responding to the information requirements in the letter from Daniel S. Quinn, State Parks Administrator, dated January 27, 2009 (copy enclosed) as follows:

1. The name(s) of the present lessee(s): **John Tenuto and Gayla C. McCarthy**
2. The name(s) of the proposed new lessee(s): **Brent Olsen and Karen Olson**
3. The reason for the proposed transfer: **Mr. and Mrs. Tenuto are no longer able nor desire to maintain the cabin**
4. Consideration paid for the transfer: **\$28,000.00, paid in 2001**

Please advise me at your earliest convenience if there are remaining steps that must be taken to process this transfer.

Sincerely yours,



Steven R. Lee

SRL/co

xc: Mr. and Mrs. Brent Olson